Mr. C. A. Kunjunni Raja.—The amendment automatically goes.

5. Defalcation of Government Money.

President.—Resolution of Mr. K. J. Antony.

Mr. K. J. Antony.—The resolution standing in my name runs thus:

"This Council do recommend to the Government to appoint a committee with a majority of non-official elected members for holding an investigation in camera and reporting on the causes of defalcation of Government money in the various departments of the State suggesting possible ways and means for stopping the same in future."

In moving the resolution I wish to draw the attention of the Government to question number 189, asked by the Hon'ble Member for North Ezhuvas as to the number of cases of defalcations that have happened in Cochin Service for the last 6 years and to the detailed statement, namely appendix 1. In the appendix all the particulars are shown, namely:

Name of the Department or office,
Name and caste of the defaulter,
Amount defalcated,
Number and names of persons who are prosecuted,
Number and names of persons who are convicted,
Number of persons turned out of service,
Number still in service and the nature of their punishment.

From this schedule we see altogether 19 instances of defalcation during the last 6 years and the amount defalcated comes to Rs. 1,44,303—6—3. And out of the 19 instances, 11 cases are Nayars, 5 Brahmins, 2 Ambalavasis, and 1 Ezhuva. The departments are Trichur Munsiff's Court, the Forest Department, the Excise Department, the Stamp Office, the Anchal Department the Ernakulam Munsiff's Court, the Medical Department, the Education Department, the Revenue Department and the Agricultural Department. So in most of the Departments the defalcations have taken place. From this we understand that a good lot of Government money is being eaten away by white ants. And it is high time for the Government to conduct an enquiry in this matter and find out ways and means to stop the same. With these few words, I commend the resolution to the acceptance of the House.

Mr. C. V. Kuriyan.—I second it.

Mr. K. Krishna Pisharodi.—Sir, in regard to the resolution before the Council I shall briefly explain the position of the Government.

LIBRARY ARCHIVES Kerala Legislative Assembly

The defalcation that have taken place so far were brought about not because of want of rules or defect in rules, but due to want of strict adherence to them. If the drawing officers of the various departments strictly adhere to the rules in their drawings and disbursements and the controlling officers watch their due accounting promptly I may state that there would be no scope for defalcations ordinarily. I do not know what a committee as proposed in the resolution can do to prevent defalcations in future. In these circumstances no useful purpose would also be served by such a committee in my opinion.

In view of the above facts I do not know whether the Council would still insist on the appointment of such a committee.

Mr. A. B. Salem.—I wish to support this resolution. We have been insisting inside this Council upon some vigilance being exercised with reference to the course of expenditure of votable items for which the sanction of this House is necessary. The Government has studiously opposed the idea and we find defalcations taking place also. We find defalcations of funds from one purpose to another and so on. Now, if there is a Vigilance Committee, a Public Accounts Committee, or if you invest the non-officials of the Standing Finance Committee with power to scrutinise, they will not be going every now and then and molesting the public officer; they will not have time. The mere fact that there is a Vigilance Committee sitting which may come down at any time, would keep matters straight. The mere existence of the Comptroller and his office do not suffice.

Rama Varmha Tampuran.—The question is with regard to the appointment of a committee for holding an investigation as to the cause of defalcation.

Mr. A. B. Salem.—It is explained that we have excellent rules in our State. We have excellent provisions in our Account Code. Nevertheless, these things take place.

President.—The motion is to appoint a small committee.

Mr. A. B. Salem.—I am not touching that.

President.—Confine yourself to the present.

Mr. A. B. Salem.—We want to find out the causes. The cause is said to be the non-adherence to the rules by the drawing officers. Now we know if all the rules are acted up to, what are the causes, how do they evade detection in time, how these things take place, what is the difficulty in the system, and what are the causes. We want to find out. We are not quite satisfied with what has been told, "we were all very vigilant, everybody did his duty, nevertheless the thing took place". If everyone did his duty, if all the controlling officers did their duty, such things would not have taken place.

LIBRARY ARCHIVES Kerala Legislative Assembly

Rama Varmha Tampuran.—The Member for Finance said that the officers were not vigilant and so defalcations arose.

Mr. A. B. Salem.—You admit officers were not vigilant?

Rama Varmha Tampuran.—I understood the Hon'ble Member the Comptroller to state that there are very good provisions and rules, and drawing officers have not been adhering to the rules. Want of this non-adherence, *i. e.* the want of vigilance brought about the defalcations.

Mr. T. M. Krishna Menon.—Not only drawing officers but also controlling officers.

Mr. A. B. Salem.—That is exactly my charge. There has not been that vigilance which would have prevented these things. Therefore it is that I adverted a little into that proposition, that if there were a Vigilant Committee these kind of things would not have taken place. Therefore it only strengthens our view whether we should press for a Vigilant Committee or not. This investigation seems to be necessary as to how these things take place, who are the parties at fault, whether it is the controlling officers or the drawing officers. The controlling officers to save their skin would say, "We did all we could". The drawing officer will say, "Well, I did my duty. Perhaps some lapses took place which were not pointed out". Between these two, we want to see where the fault lies. Therefore I support this resolution.

Dr. A. R. Menon.—Sir, I rise to oppose this resolution and the reason why I do so is that a committee of this nature should require members well versed in the art of finance. With due deference to the Members I might say, they are as a class ignorant of financial matters, though there may be some proficient in the matter of law. In the matter of finance, we are not very much placed above the Members who know much about the subject. Why is the enquiry confined to six years? If you go further inside, you will find representatives of other castes in the list. It is this way that the selection of a few years helps them.

Mr. K. J. Antony.—So far there is no one.

Dr. A. R. Menon.—It requires a step further, a few more years. It might be possible. Why confine it to six years and the castes and the communities? I know why this 6 years question was taken and brought before the Council, because during this period, persons who committed all the crimes and all the liars and rogues belong to a certain class. Even a very good thing can be vitiated by this tendency of going behind. Now, so far as the merits or demerits are concerned, I have

LIBRARY ARCHIVES Kerala Legislative Assembly

very little respect in the capacity of the members of this Council to sit in judgment upon one of the most complicated departments—a department which in spite of days and days of study, one feels at a loss to understand the intricacies of the problem involved. I speak from a little personal knowledge. I have never come across a more difficult subject than the subject of these bills,counter signatures and current bills and every day you think that you have come across a mistake and reserve and wait upon that.

Mr. C. A. Kunjunni Raja.—In reply to the query, why this question was confined to six years the answer appears from part (b) of the same question where it is stated "have the Government tried to deduce any inference from the above fact as to which community in Cochin has been found to be more honest in service?'. Even in the matter of defalcation, communal representation is to be taken into consideration. This is to be a guiding factor in making appointments in future.

Mr. M. K. Raman.—One word by way of personal explanation, because that question is mine. The period of six years was never intended for any ulterior purpose. It was just a matter of convenience. I may ask for twenty years. Then they may say it is impossible to find out by searching all these records. But regarding communities, it is true that I wanted to find out which community has been proved to be more honest. Because when we ask for appointments you give a rebuff to us by saying efficiency, honesty, etc. I wanted to show that we are at least more honest.

Mr. K. J. Antony.— By way of explanation. This question was not necessary. My resolution was pending last time. Unluckily last time it did not turn up.

Mr. K. P. Kannan Nayar.—One word. The resolution recommends to the Government 'to appoint a committee with a majority of non-official elected members for holding an investigation in camera and reporting on the causes of defalcation of Government money in the various departments of the service'. The causes of the defalcation are very easily known. That is what the Comptroller of Accounts said. I do not know what the Committee can do in the matter. Of course, the causes are something as to how it is being done, the scientific processes that a particular clerk or officer is inventing to deviate from the rule. It may be all that. There may be some scientific means. By his going beyond the rules, the cases are the rules are not properly followed, and proper supervision is not exercised. We want more supervision. What is the scope of the committee? I really cannot understand. What can they do?

LIBRARY ARCHIVES Kerala Legislative Assembly

Mr. K. J. Antony.—Whether a committee can be useful or not, as I think under the present administration a committee is not necessary, I beg leave to withdraw the motion.

The resolution was withdrawn with leave of the House.

6. Survey of the Backwater Regions.

President.—Mr. P. Krishna Menon's resolution.

Mr. P. Krishna Menon.—This is the resolution that stands in my name:

"With a view to the expansion of cultvable lands in the State, this Council recommends to the Government that a survey of the backwater regions may be undertaken to ascertain the extent of poramboke lands lying under water and not useful for traffic, being shallow and which may be used either for dry or wet cultivation".

I don't propose to inflict a speech upon the Council, because I am happy to find that the principle underlying this resolution is a principle which is accepted by Government so far as land is concerned. Therefore, my resolution is only a request to extend that principle to water also. Now only one word by way of support to the resolution. It is a well known fact that the paddy produced in the land is hardly sufficient for 5 months in the year. For the remaining 7 months we have to resort to other places for the supply of paddy. It is no doubt one of the fundamental principles of progress and prosperity that a State ought to be self-contained and self-satisfying so far as their requirements are concerned. To meet the increasing consumption, because I know the population is also increasing, I think it necessary that we should bring more and more land under cultivation. It is to ascertain the possibility, so far as the backwater regions are concerned, to extend cultivation that this request and resolution for the survey of the backwater regions is suggested.

Now, as to the practicability of the thing or rather to the absolute necessity of a survey, I may be permitted to say one word and it is this. Unless we get a comprehensive grasp of the area available, we will not be able to ascertain how much or what part of it can be utilised for cultivation. Because in these backwater regions we have to forestall the necessities of cultivation and traffic by water. Unless we get a comprehensive idea we will not be able to say how much can be utilized and how much is to be left alone for making due provisions for canal navigation and boat traffic. I do not wish to take up the time, by going over statistics to show what a large portion will be available if such a survey is undertaken, and the Government, I am sure, will be anxious to utilise every inch of land that will be available for cultivation

LIBRARY ARCHIVES Kerala Legislative Assembly